

Medical Tourism in India from the Arab Gulf Region

Naushad Ahmad and Mohd. Zulkarnain Sikandar

Research Scholar,
Center for West Asian Studies,
Jamia Millia Islamia, New Delhi, INDIA.

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ABSTRACT

Medical tourism, broadly defined in term of cost effective' private medical care in collaboration with the tourism industry is now flourishing for patients needing surgical and other forms of specialized treatment. It is to be noted that the most recent trend in privatization of health services in medical tourism, is gaining prominence in developing countries. This has had its effect in the health sector too, with the emergence of a private sector that thrives by servicing a small percentage of the population, which has the ability to pay treatment cost. This process is being facilitated by the corporate sector which is involved in medical care as well as the tourism industry comprising – both the private and public sector entities. According to a study by McKinsey and the Confederation of Indian Industry, the Indian medical tourism market is expected to expand at a CAGR of 27 per cent to reach USD 3.9 billion in 2014 from USD 1.9 billion in 2011.

This paper is based on a field survey of the medical tourists coming from the oil rich Arab Gulf States at the various hospitals in New Delhi and aims to highlight the emerging potential markets of medical tourism from a region with which India has close economic relations. Some of the issues raised and discussed in this research paper are, what are the sources of these medical tourists information regarding the viable medical treatments in India? What medium of support are they taking while coming to India? What are the expectations of medical tourists coming from Gulf region to India? Are they satisfied with the present facilities?

Keywords: tourism; medical tourism; cost-effective.

INTRODUCTION

Medical tourism is a term initially coined by travel agencies and the mass media to describe the rapidly-growing practice of travelling across international borders to obtain health care. Both in developed and developing countries this is identified as national industry. Medical tourism differs from other forms of tourism by the fact that the trip or vacation involves some form of medical intervention; which may vary from simple plastic surgery to liver or kidney transplants. They travel from their home for the purposes of gaining medical attention, and as part of this they travel using the existing tourism infrastructure. Often, as part of the medical intervention, they will stay in a hotel and undertake activities just like any other tourist. What differentiates medical tourists from others is that the trip is not motivated by the need to escape from everyday life or search for new experiences through travel. Rather, the major motivation for travel is to confront health or lifestyle problems in a focused manner. Over the Past two decades there has been a sharp growth in medical tourism.¹

Keeping in view the growing numbers of medical tourists coming to India, the ministry of tourism is realizing its importance in this age of globalization. For, the healthcare tourism sector can be a major source of foreign exchange for the country. As the concept of medical tourism is related to the global demand and supply, this must be seen in the context of how the medical facilities in a particular country attract the

patients of other region and countries. For example, India's healthcare sector has made impressive strides in recent years providing the cost effective healthcare solutions especially with the availability of skilled healthcare professionals. As this market is growing and has high potentials, this sector is witnessing a 'reverse brain drain' trend, with increasing number of medical specialists, who have been practicing abroad, and are now showing keen interest to come back and practice in India. This new phenomenon further enhances the potential of India as a 'Healthcare Hub' of the world as the people travel to India for availing comparatively low cost healthcare services. As a result, the medical tourists come from the rich and the developed countries like the USA, Canada, UK, along with the West Asian as well South East Asian regions mainly because of the high cost of medical treatment as well as the high waiting time in their respective countries.

Thus, what is noticeable in this new development is that medical tourists are coming to India despite having advanced facilities in others western countries. Moreover, the increasing numbers of foreign medical tourists in India mainly because of being less expensive and easily accessible factors although, the future market of this new trade can be seen in the context of Arabs medical tourists inclination to India in the context of cultural and civilization linkages as middle class Arab Muslims patients find Indian situation more adjustable than in the West or US.

In this context, one pertinent question is why people (medical tourists)

especially from the Arab Gulf region come to India despite having better facilities in western countries? Since, India is in the process of becoming the “Global Health Destination”, it is much important to understand the nature of inflows of medical tourists from different countries and also to know the prospects of this in the coming years?

The objective of this study is to focus on the potential market of medical tourism in India and also to find out the factors behind the recent inflows of foreign medical tourists in the country. This will be examined in the context of growing socio economic linkages between two regions. This will be based on the survey of some Indian hospitals in order to focus on the process of medical tourism from the Persian Gulf to India. Besides, the study aims to identify and assess the pattern of marketing and the problems of medical tourism in this age of globalization. The final section will discuss the policy issues for the improvement of medical tourism industry.

Global Trend in Medical Services

The global market for healthcare services is composed of medical tourism and telemedicine, while these two sectors of the global market complement one another, some services may potentially be available in both markets. Over time, medical tourism has evolved such that it is now being industrialized as insurers and employers seek the best global price for health care. The development of this medical tourism market is driven by a number of socio demographic, cultural and economic factors. For example, improvements in the medical care, diet and lifestyle have led people in

developed countries to live longer. This has placed pressure on home medical service as each year an increasing number of older people seek medical intervention to treat diseases and afflictions that accompany old age (e.g. hip or knee replacement). Due to changing in lifestyles they are now facing various types of serious diseases like diabetes, blood pressure, heart and kidney related problems. Moreover, we currently live in a world that is influenced by celebrity and media images of the perfect body. In this respect, we may cite example of cosmetic surgery which was previously the preserve of rich and upper class. But it is now increasingly become popular in middle class. It has become easier also due to medical tourism.

Travelling to another country also provide the tourist with a degree of anonymity, whereby it is possible to have a treatment and recover without family, colleagues or friends knowing that they have had cosmetic surgery. As a result, cosmetic tourism now plays a significant role in the medical tourism niche.

Global competition is emerging in the health care industry. Wealthy patients from developing countries have long traveled to developed countries for high quality medical care. Now, growing numbers of patients from developed countries are traveling for medical reasons to regions once characterized as “third world.” Many of these “medical tourists” are not wealthy, but are seeking high quality medical care at affordable prices. To meet the demand, entrepreneurs are building technologically advanced facilities outside the United States, using foreign and domestic capital. They are hiring physicians,

technicians and nurses trained to American and European standards, and where qualified personnel are not available locally, they are recruiting expatriates².

Table: 1

| Major Destinations | Number of Medical Tourists | JCI Accredited Hospitals | Range of costs | Popular Treatment options |
|--------------------|----------------------------|--------------------------|----------------|--|
| Thailand | 1.54MM (in2007) | 5 | 6%-28% | Alternative Medicine, Cosmetic Surgery, Dental Care, Gender, Heart Surgery, Obesity Surgery, Oncology and Orthopedics |
| India | 0.45 MM (in2007) | 11 | 6%-21% | Alternative Medicine, Bone-marrow, Transplant, Cardiac Bypass, Eye Surgery, Hip Replacement, |
| Singapore | 0.41 MM (in2006) | 15 | 8%-33% | Organ Transplant, Stem cell Transplant and other high end procedures |
| Malaysia | 0.29 MM (in2006) | 2 | 6%-23% | Cardiovascular Surgery, Cosmetic Surgery, Dental Care, Eye Surgery, general Surgery, Orthopedic and Transplant Surgery |

Source:-The Rise of Medical Tourism, “Joint Commission International (JCI)”, Oak brook, USA, p 5, 2009

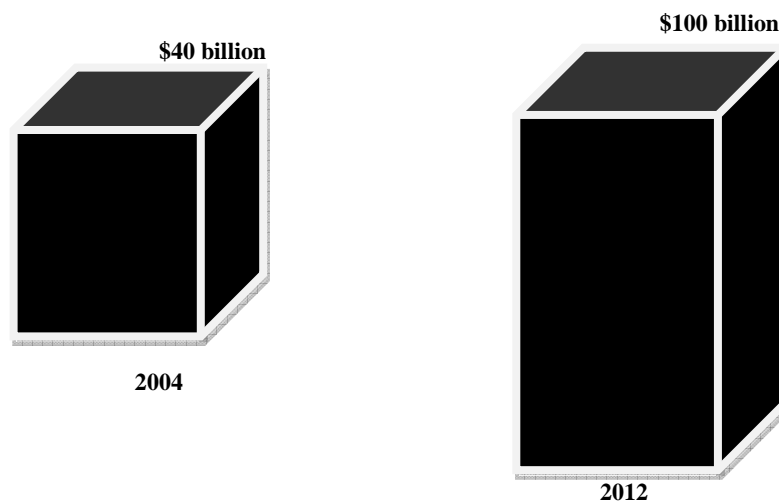


FIGURE 1: WORLDWIDE MEDICAL TOURISM INDUSTRY (Billions of U.S. Dollars)

Source:Kumar, Santosh, Designing Promotional Strategic for Medical Tourism in India: A Case Study of an Ophthalmic Hospital in NCR, *Health & Population: Perspectives and Issues*, Vol. 32(2), 86-95, 2009.

Medical tourism is growing and diversifying. Estimates vary, but McKinsey & Company and the Confederation of Indian Industry put gross medical tourism revenues at more than \$40 billion worldwide in 2004. Other estimates put the worldwide revenue at about \$60 billion in 2006.

Internationally known hospitals, such as Bumrungrad in Thailand and Apollo in India, report revenue growth of about 27 percent annually. McKinsey & Company estimates that Indian medical tourism alone will grow to \$3.9 billion by 2014. Reports on the number of patients travelling abroad for health care over the past few years are scattered, but all tell the same story. For example in 2005:

- Approximately 250,000 foreign patients sought care in Singapore, and 500,000 travelled to India for medical care.
- Thailand treats as many foreign patients as India.
- Almost no one would travel a great distance to save \$200 or less.
- Fewer than 10 percent would travel to save \$500 to \$1,000.
- About one-quarter of uninsured people, but only 10 percent of those with health insurance, would travel abroad for care if the savings amounted to \$1,000 to \$2,400.
- For savings exceeding \$10,000 about 38 percent of the uninsured and one-quarter of those with insurance would travel abroad for care.

Some American Medical tourists are seeking lower prices for treatments not covered by insurance (such as cosmetic surgery and weight loss surgery). Uninsured patients paying the cost out of their own

pocket travel because American hospitals often charge cash-paying, uninsured individuals inflated “list” prices which can be much higher than what government or private insurers have to pay. Also, a small, but growing number of insurers are creating health plans that encourage enrollees to shop better prices among approved vendors in other countries and allow them to share the savings. There are also potential savings for insured patients who bear some of the cost deductibles. For example, if a procedure costs \$4,000 less in another country, a patient required to pay 20 percent of the cost would save \$800 out of pocket.³ While outsourcing \$25 billion of medical services to India sounds like a lot of money, it is essentially a round-off error given the size of the total tourism market.

The first ethical issue revolves around the very nature of medical tourism and the idea that a tourist will travel from a rich country to a poor country to exploit the resources of a destination. In the case of medical tourism, this often means using body parts from local people, which have either been purchased from them or have been taken after their death through an accident or execution. This type of exploitation follows some of the early debates in tourism surrounding the host-guest relationship and the impact tourism can have on the local culture or society. Medical tourism may be seen as clear example of the inequality of international relation between the rich and poor, north and south or first and third worlds, and raises the major concern that sustainable and ethical tourism lobby has expressed for the past 20 years, that tourism often exploits the resources of a destination.⁴

Although transplantation raises a number of ethical issues, the main two revolve around the origins of the organ and whether that organ is allocated. These issues become especially complicated when applied to visitors who are purchasing organs as this can sometimes lead to kidnap and murder. Organs are traditionally sourced from a number of places and each have a differing ethical impact.

In December 2003, an international organ trafficking was broken. It was revealed that transplant recipient had paid \$100,000 to the racket for a kidney transplant, while living donors had been paid \$800. At the Second Global Consultation on Critical Issues in Human Transplantation in 2007, the World Health Organization (WHO) estimated that organ trafficking accounts for 5-10% of kidney transplants throughout the world. Many of these organs will have been purchased for medical tourists.⁵

Medical Tourism Industry in India

India is the most “touted” destination in the medical tourism market. India has the largest share of medical tourism market at 12 percent, which is growing at a rate of 15 percent per year; and is expected to earn \$25 billion in revenue in 2020. By contrast, the high estimate for the size of America’s health care market is \$2 billion dollars.

India is fast emerging as one of the most attractive destinations for medical tourism as at present the earnings from it is at an all time high. With some of the most sought-after specialists in everything from cardiology, neuro-surgery, orthopedics and

eye surgery, India alone has increased its medical tourists by more than 30 percent per year for the past few years. It is just one of several countries that has recognized the incredible benefits from medical tourism, and is now making special efforts to make the country as appealing as possible to potential patients/tourists.

As regards the impact of migration of health care professionals on home country, the situation is something different in countries like India, China, and Philippines. These countries are able to produce more health care workers to take benefit of trade liberalization in health services.

The large scale migration of health care professionals from India has also had some negative impacts. This mass exodus of qualified nurses to Europe has hit nursing colleges across the country. Colleges are finding it difficult to fill vacancies, be it a principal’s position, or that of a lecturer or a tutor. For instance, majority of the students passing out from premier institutions like L T Nursing College and Hinduja Nursing College Mumbai, and Rajkumari Amrit Kaur Nursing College, Delhi, migrate abroad after few years of initial training.⁶

India’s medical tourism sector is expected to experience an annual growth rate of 30 per cent. The advantages for medical tourists include reduced costs; availability of latest medical technologies and a growing compliance on international quality standards, as well as the fact that foreigners are not likely to face a language barrier in India. The most popular treatments sought in India by medical tourists are alternative medicine, bone-marrow transplant, cardiac bypass surgery, eye

surgery and orthopedic surgery. India is known in particular for heart surgery, hip resurfacing and other areas of advanced medicine. The South Indian city of Chennai is emerging as a healthcare capital of India.

In 2008, the size of the industry was estimated at \$300 million and it would grow into \$3.9 billion business by 2014, with an annual growth rate of 30 percent. About 18 million foreigners visited India for treatment in the first eight and half months of the 2012 and their number would increase by 27 percent in the coming years.

The Indian government predicts that India's health care industry size \$17 billion a year could grow over 13 percent in each the next six years, boosted by medical tourism, which industry watchers say is growing at 27 percent annually. This projection is largely based on the assumption that six hundred thousand Baby Boomers from the United States, Europe and Australia will age and seek medical care by that time. A majority of clients come from the Middle East, with the majority coming from Oman, followed by the UAE, Saudi Arabia, Kuwait and Bahrain. The Gulf is one of the most important markets for India's tourism industry. In the last two years, there has been a significant growth in the number of visitors from this region coming to India for medical tourism.⁷

Medical Tourism in India from the Arabian Gulf Region

The main reasons for a large number of medical tourists coming from the Arab Gulf countries to India are the comparatively low cost of treatments here. Earlier, they were going to the Western countries or U.S. for their medical treatment where they had

to pay a very high amount.

The Gulf region has become one of the most important markets for India's medical tourism industry. They are particularly attracted to Indian hospitals such as (Appolo, Escorts, Maidanta, Max, J.J hospitals) which have goodwill in Gulf region.

The survey conducted on the perceptions of Arab Gulf's customer about medical treatment in India indicates that around 70 per cent of them belong to the age group of 10 to 50. Thus the large numbers of this medical tourism comprise youth. Thus, from the promotional viewpoints, it must be kept in mind that younger generations of the Arabian countries are attracted to medical treatments. The perception about Medical Tourism is good among the youth; whatever strategies are being used to promote Medicare right now do not encourage aged people to travel to foreign nation for treatment.

Table: 2, Age distribution of the respondents

| Age Groups | Percentage |
|------------|------------|
| 10 to 25 | 12% |
| 25 to 30 | 2% |
| 30 to 35 | 10% |
| 35 to 40 | 16% |
| 40 to 45 | 12% |
| 45 to 50 | 18% |
| 50 to 55 | 6% |
| 55 to 60 | 10% |
| Above 60 | 14% |

Source: - Data Collected by Researcher during survey

Another finding of the survey infers that most of the respondents are males. About 70 per cent of the respondents were

males and only 30 per cent females. This indicates that the medical tourism field is very much male dominated. The present promotion or facilities or services do not encourage females to participate actively. The future promotional offers should give more emphasis to woo the female customers by providing better facilities and services. If the promoters try to attract more females, then they can make a huge amount of money as females always travel in groups, either with family or friends. They could attract more females by providing exclusively special offers for women only.

Another notable feature is that more than half of the respondents are married. This indicates that more number of married couples indulge in Medical Tourism. About 84 per cent of the respondents are married and 16per cent of the respondents were not married.

The finding of the survey also infers that all the respondents are educated. While 50 per cent of the respondents are below high school, and others 50 per cent well educated and, out of the 50 per cent, 24 per cent were graduates, 20 per cent postgraduates and 6 per cent were PhDs. Same 50 per cent of the respondents have attended below high school and 28 per cent attended high school. In other words we can say the 26 per cent of the respondents are able to understand the importance of quality facility and service provided by the Medical Tourism agencies.

Table: 3, Occupations of respondents

| Occupations | Percentage |
|---------------------|------------|
| Businessmen | 72% |
| Government Employee | 20% |
| Others | 8% |

Source: Data Collected by Researcher during survey

In the survey, data shows that majority of the respondents belong to business family. In this regard, 72 per cent of the respondents are businessmen, 20 per cent of respondents are government employees and others 8per cent are involved in other activities. In other words, we can say that majority of Gulf Medical tourists are businessmen.

This part of survey is related to the major diseases of Medical Tourists (patient) who come to India from Gulf. In this context around 20 per cent of the patients belong to the By Pass and Heart diseases, while 16 per cent of the patients faced Kidney problems, 14 per cent Spine problems or surgery, 6 per cent back bone, 4 per cent Lungs problem, 6per cent cancer, 2 per cent Eye problem, 6 per cent Brain tumor, 10 per cent Skin problems, 2 per cent Maternity, 6per cent faced Knee problems.

Table: 4, Major Diseases of the respondents

| Diseases | Percentage |
|--------------------------|------------|
| Lung | 4% |
| Knee | 6% |
| Liver | 6% |
| Bypass and Heart Surgery | 20% |
| Cancer | 6% |
| Backbone | 6% |
| Brain Tumor | 8% |
| Eye | 2% |
| Skin | 10% |
| Maternity Problem | 2% |
| Kidney | 16% |
| Spine Surgery | 14% |

Source: Data Collected by Researcher during survey

The finding of the survey further shows that major chunk of the tourists are from and Oman. Apart from Iraq and Oman tourists, the distribution of respondents from

different nations is well and very encouraging for a small population defined in this survey. Moreover, the awareness in Iraq and Oman about Medical Tourism in India is good, although relatively awareness in other countries like Kuwait, UAE, Bahrain and Yemen are not lagging behind. But, apart from these few nations coming of tourists from other nations does not show a very healthy sign. Countries like Egypt, Palestine, Qatar, Yemen; About 38 per cent of the respondents are from Iraq, 20 per cent from Oman, 16 per cent from Kuwait, 10 per cent from UAE, 4 per cent Yemen, and 4 per cent from Bahrain.

It must also be noted that most of the tourists come to India, Delhi, for holidays and others for Medical Care. Although healthy percentage of the respondents agreed that they came to Delhi for both holidays and Medical Care, while the section of the percentage opting for others came to Delhi for various reasons like religious and cultural activities. Same 60 per cent of the respondents agreed that they came to Delhi for Medical Care, 26 per cent agreed they came for, holidays, 28 per cent for both and 6 per cent for religious, cultural and business purposes.

Similarly, another question was what type of health care or medical treatments respondents usually prefers to get? The finding infers that about 84 per cent of the respondents came down to Delhi for actual treatment in private hospitals, while rest of the respondents preferring, other such centers came down for holidays and conventional treatments along with relaxation. However, respondents agreed to other centers visiting. For instance, 10 per cent agreed visiting Unani centers while

around 6 per cent percentage of the respondents agreed to have visited such other health care centers.

However, the source of information which helped to publicize Medical Tourism in a big way are others (family, friends, etc.). About 54 per cent internet, while about 44 per cent of the respondents agreed that the source which helped them to gather information about Medical Tourism is mouth to mouth information which gave them ample information about Medical Tourism through family or friends who had already visited Delhi and one of the basic source of information is that Medical Tourist countries student in Indian or rather had heard it from other people. About 20 per cent of the respondents agreed that internet (World Wide Web) is the source of information. Moreover 16 per cent of the respondent's source of information was newspaper and for 10 per cent of the respondents it was magazines. The finding indicates that other media can be most important part of information about Indian Medical Care.

The findings of the survey also indicate that most of the support given to the tourists regarding medical tourism comes from private agencies. Only Iraqi government provides own support to its citizens because of US intervention and the war destroyed, many hospitals Doctors have left from Iraq. The support provided by the travel agencies is better than what government provides. Most of the respondents had agreed that government related agencies are not up to the mark. The respondents also feel that the service and facilities provided by private and travel agencies are far better than governmental

agencies. For example, 20 per cent of the respondents have taken support from private agencies, 16 per cent have taken support from travel agencies, 34 per cent of the respondents agreed taking support from government driven agencies and around 30 per cent of the respondents have taken support from either friends or acquaintances.

Another important part of the survey was to find out whether the respondents had any sort of medical insurance or health insurance. The finding shows that majority of the respondents does not have health insurance because of Islamic code of ethics, where interest rate is considered as un-Islamic. With respect to other respondents only 6 per cent have any kind of health insurance. Only 6 per cent agreed that they have a health insurance, whereas 94 per cent of the respondents said that they do not have any kind of health insurance. The purpose of the question was to find out legal and insurance awareness among the Gulf medical tourist in India.

As for the satisfaction level among the respondents regarding the facilities, services and security being provided after their coming to India for the medical treatments are concerned, 92 per cent of the respondents express satisfaction by the services and facilities in and around the health care centers and agencies supporting them. However, only 8 per cent of the respondents have shown dissatisfaction with the facilities and services, and agreed that there is ample scope for improvement. Communication is one of the most common problems among the respondents which is necessary to improve.

On the question that whether they will recommend medical tourism in India

and encourage their relatives to visit. In this regard 90 per cent of the respondents have showed keenness to recommend Delhi as Medical Tourism destination and world urge others to visit India. On the other hand, only 10 per cent of the respondents had decided that they will recommend India as a Medical Tourism destination to anybody.

Treatments being cost effective is the factor to attract more number of tourists from different nations because in few countries, especially the West, the cost for medical treatment is too high, people will always prefer cheaper means of treatment. Better technological support for treatment is very essential for attracting tourists, as providing cheaper treatment with no technological support will meet no ends. People will always prefer places with advanced technology treatment. Medical tourism packages offered by agencies should be attractive to pull tourists. Tourists will be more attracted if there are good discount offers being provided. World class infrastructure facilities attract tourists from all over the world. To retain tourists from round the world, it is necessary to have services and facilities of world class standards. Good friendly and cooperative environment helps attract tourists in the long run; if the atmosphere is not conducive, enough tourists will refrain from coming.

Insurance cover up is another major issue while endorsing Medical Tourism. All types of insurance cover facilities provide a platform easier and hassle-free process. That should be well trained and qualified professionals undertaking the treatment must be taken into consideration because it instills confidence among the tourists that they are in safe hands. If the Medical Tourism

package includes travel and leisure, health plus happiness, it becomes a big bonus point for the agencies to attract tourists. Language and communication may become a huge barrier for tourists coming from different nations. In our survey, it was found that 86 per cent of respondents faced language problems, and 40 per cent of the respondents feel that treatments are cheaper in India compared to others countries. Moreover 16 per cent feel there is availability of better technology, 8 per cent feel that good discounts offers are being facilitated in holiday packages, while 25 per cent feel that they have experienced good services, friendly and cooperative environment, some 16 per cent on the other hand feel that all type of insurance exists. 24 per cent feel that well qualified and trained professionals are available here. 10 per cent agree that along with treatment travel and leisure, health and happiness are being provided.

On the other hands it is also found that there is no specific guest house or hotel for their stay. But it is generally arranged by their interpreters. Actually, they prefer those hotels where there are hygienic conditions and also that are situated near the hospitals.

The data shows that majority of the respondents did not have any membership in any health care centers. Here, it is very important to mention that only 10 percent respondents have membership in the health care centers.

The language problem faced by Medical tourists is huge and affects proper communication and makes things difficult to understand. Around 86 per cent of respondents agree they faced language problems, only 14 per cent told they did not face any kind of language problem. In this

context, interpreters play a very crucial role to sort out the language problems. According to this survey, the majority hire interpreters from time to time or their requirements. Basically, they are not permanent employees of any hospitals.

The tourists prefer to come to India for treatment and subsequent travel because it is more cost effective with world class standards maintained for treatment, services and facilities. Apollo hospital is the most frequently visited hospital apart from Medanta hospital, Escort hospital and Max hospital by the respondents, though a small percentage of visits by the respondents to small Ayurvedic and Yoga centers. The study of customer perception regarding Medical Tourism shows that a lot of work has to be done to promote Medical tourism awareness among the potential Medical Tourist. The government as well as private institution should take care to provide world class standard facilities and follow advanced technologies for treatment procedures along with the simplified process of issues related to health insurance. This should be done keeping in mind that there are other destinations which offer cheaper treatment with advanced technology, Singapore and Thailand.

It may be argued that medical tourism is just an evolution of health tourism, and that, with current developments in spa treatments and resources there have been a blurring of the boundaries between the two. Many travel agents are now offering packages combining treatment with a vacation in the Arab region has become one of the most important markets for such medical tourism industry.

Role of Indian Hospitals

After the economic reforms in 1991, India introduced the concept of economic and trade liberalization, privatization and globalization (LPG). In this context, country has achieved tremendous growth in all sectors. Health sector has also emerged rapidly due to private investments in this sector. In fact, since the beginning of the 21st century this sector has emerged as a booming industry.

Medical tourism in India is becoming such an alternative industry that some hospitals have now taken it, as far as working with tour operators to offer potential visitors, an all-inclusive health-tourist package, which includes the desired medical procedure, as well as things like hotel, air travel, and admission to various popular tourist attractions.

Like many Indian companies, hospital chains are trying to expand on the domestic market and also at the international level as well. Indian hospital chains have now established themselves as reliable providers of healthcare. In several African, West Asia and South Asian countries there is growing demand for Indian medical “savior-faire” emanating not only from the patients but also from the governments.

Indian hospitals are entering International market through tour operators and other joint ventures.

Since 2009, Fortis Health Care and Apollo Hospitals are running facilities in Mauritius. Escort Heart Institute has several clinics in Nepal and Afghanistan to help serving and referring its foreign patients. Indian hospital chains were called to design and operate hospitals abroad. In 1997 Apollo

Hospital was the first Indian corporate hospital chain to build and operate a hospital abroad, in Colombo, Sri Lanka. Such a move was possible because Apollo hospital was approached by the Sri Lankan Government. However, among the foreign patients treated at Apollo Hospital in Chennai, Sri Lankans was the first group. The close distance between Chennai and Colombo, the extension of an established pool of patients coming from Sri Lanka and the support of Local Government convinced Apollo Hospital to venture in this foreign market, in order to provide more foreign patients access to the Indian facilities.

While estimating the exact number of foreign patients seeking treatments in India remains difficult, many hospitals in Delhi and Hyderabad have shown a significant increase in foreign patients. The final objective of the corporate hospital chain remains to integrate medical tourism and foreign expansion to control the flow of international patients and medical staff. New medicity projects in India (Delhi, Chennai and Hyderabad) are a tool to meet the challenge of an increasing number of foreign patients. Medicities are also a way to attract patients from more economically advanced countries by integrating on the same campus medical and resort facilities.⁸

Table: 5, Health care centers/ Private Hospitals visited by respondents

| Health Care Centers/Hospitals | Percentage |
|-------------------------------|------------|
| Apollo Hospital | 28% |
| Medanta Hospital | 24% |
| Escort Hospital | 24% |
| Max Hospital | 8% |
| Others | 16% |

Source: - Data Collected by Researcher during survey

In parallel to this internationalization of their activity, hospitals are actively foraying in the Tier 2 town markets and are now present in all Indian metropolitan areas. They have rapidly expanded in markets where high-income groups are concentrated as well as a large pool of patients and medical professionals' are present. The environment has become highly competitive between hospitals chain and others segment of the hospital sectors such secondary hospitals that go for specialization or up-gradation. Markets outside metropolitan areas are more and more sought after. Foreign groups, like Asia, Columbia, wish to offer international standard quality to tier 2 towns through small scale facilities (60-100 beds facilities). Apollo, through its new branch Apollo reach, is clearly trying to target such markets, while the group is feeling the heat with the rapid rise of Fortis healthcare in Metropolitan areas (Bangalore, Delhi, etc.)⁹

Mumbai daily telegraph reported Jaslok Hospital has a floor devoted to Gulf patients, which are among the 17 million foreigners flying to India each year for knee, hip, and spine and heart surgery at bargain prices. The Indian Hospitals have all the latest Western kit with machines identical to those in top US and British hospitals but the prices are not.¹⁰

At a regional geo-political level, this nascent industry came to limelight with the arrival of 'Nabi-Noor' from Pakistan, who came by the Indo-Pak bus service and got a red-carpet treatment at a hospital in Bangalore. Several Indian state governments have realized the potential of this "industry" and have been actively promoting it. Visitors, especially from the West and the

Arab World find Indian hospitals a very affordable and viable option to grappling with insurance and National medical systems in their native lands.¹¹

Details of Indian hospitals which attract the Arab patients

(1) Apollo Hospital: - It is one of the largest private hospital chains in the world. In India, Chennai is the first city where it was established in 1981. In 1995, Apollo Hospitals performed its first Bone Marrow Transplantation, as well as the first multi organ transplant in the country. Apollo Specialty Hospitals, Chennai successfully conducted exultant Micro vascular free tissue transfer and Aesthetic surgeries on more than 1000 patients by the end of March 2011.

(2) Max Hospital: - Max Healthcare is the country's leading comprehensive provider of standardized, seamless and international class healthcare services. It is committed to the highest standard of medical and service excellence, patient care, scientific and medical education. Max Healthcare nice facilities in Delhi & NCR, offering services in over 30 medical disciplines. Max Healthcare extended its footprint in North India by inaugurating 2 new Super-Speciality Facilities in Mohali & Bathinda (in PPP with Govt. of Punjab) in September 2011. Max Healthcare has a base of over **1600 leading doctors, 4300 employees and 13,00,000 patients** with number of beds growing to over 1900 in the next two years.

(3) Medanta: - The Medicity is one of India's largest multi-super specialty institutes located in Gurgaon, in the state of

Haryana a bustling town in the National Capital Region. Founded by eminent cardiac surgeon, Dr. Naresh Trehan, the institution has been envisioned with the aim of bringing to India the highest standards of medical care along with clinical research, education and training.

(4) **Fortis Escorts:-** Fortis Escorts Heart Institute, formerly known as Escorts Heart Institute and Research Center, a pioneer in the field of fully dedicated cardiac care facility in India is a Fortis (Fortis Healthcare(India) Ltd.) network hospital.

Fortis Healthcare is the fastest growing hospital network in India.

Fortis Escorts Heart Institute has set benchmarks in cardiac care with its path breaking work over the past 22 years. Today, it is recognised world over as a centre of excellence providing the latest technology in Cardiac Bypass Surgery, Minimally Invasive Surgery (Robotics), Interventional Cardiology, Non-invasive Cardiology, Pediatric Cardiology and Pediatric Cardiac Surgery.

Table: 6, PRICE COMPARISON OF INDIAN AND U.S AND U.K

| Treatment | Approximate Cost in India (\$) | Cost in other Major Healthcare Destinations(\$)* | Approximate waiting Periods in USA/ UK (in months) |
|--------------------------------------|--------------------------------|--|--|
| Open Heart Surgery | 4,500 | >18,000 | 9-11 |
| Cranio-facial Surgery and skull base | 4,300 | >13,000 | 6-8 |
| Neuro- surgery with Hypothermia | 6,500 | >21,000 | 12-14 |
| Complex-surgery with implants | 4,300 | >13,000 | 9-11 |
| Simple spine surgery | 2,100 | >6,500 | 9-11 |
| Simple Brain Surgery | | | |
| -Biopsy | 1,000 | >4,300 | 6-8 |
| -Surgery | 4,300 | >10,000 | |
| Parkinson's | | | |
| -Lesion | 2,100 | >6,500 | 9-11 |
| -DBS | 17,000 | >26,000 | |

Source: International Marketing Conference on Marketing & Society, 8-10 April, 2007, IIMK

The Price Advantage

A comparison of the medical treatment costs of various countries shows that a procedure like bone marrow transplant costs USD 2, 00,000 in USA, up to USD 2, 00,000 in UK, USD 62,500 in Thailand and

just around USD 20,000 in India. As a result of higher and very expensive medical costs in the western countries, patients from other countries including Africa, Gulf and various Asian countries have started exploring medical treatment in hospitals located in various well-to do places in India. The cost

of treatment in the West is much more higher than India. In this regard, India is now being put up on international map as a haven for those seeking quality and affordable healthcare. Foreigners are increasingly flocking to India because it offers quality treatment at a fifth of the cost abroad.

In India, complicated surgical procedures are being done at 1/4th the cost as compared with the procedures in developed countries. Not only this, the hospitals are well equipped to handle data and information through computerized Hospital Information Systems. The hospitalization and the procedural price advantage also are supported by Lower Medication cost. If a liver transplant costs in the range of 137,867 USD- 160,845 USD in Europe and double that in the US, few Indian hospitals have the wherewithal to do it in around 34,466 USD- 45,955 USD. Similarly, if a heart surgery in the US costs about Rs. 45,955 USD, a leading Indian hospital will do it in roughly 4,595 US.¹²

Thus, the medical tourism scenario in India has been on the rise since the past decade. With the opening of many new corporate hospitals providing the best healthcare in the metros and mini-metros like Ahmadabad, Rajkot, Surat, etc, more and more foreign patients prefer India for their medical treatments. Given below are some factors pertaining to the growth of medical tourism in the country:

- As per a McKinsey-C11 report of 2005, during early 2000, hardly 10,000 foreign patients visited India for medical tourism. However, by 2005, this number rose to 1, 00,000, generating revenues of whopping 300 million.

- The Indian health market is growing at 13 percent per annum. According to a PWC projection, it is expected to grow to nearly \$40 billion by 2012.
- Medical tourism is poised to be the next success story in India after IT. According to a McKinsey-C11 study in 2005, this industry's earning potential is estimated at 1 billion-2 billion by 3-5 percent of the total healthcare delivery market in the country.¹³

Economic Impact

As for medical tourism in India is concerned, it has increased at the rate of 30% per year and that the Apollo Hospitals in Delhi had more than 60,000 medical tourist in a 3 year period between 2001 and 2004. The Apollo Hospitals group has become a significant provider of medical tourism in Asia and can be seen as just one example of the scope of the services and size of the investment being made. It has treated over 16 million patients from 55 countries and the services are offered with direct links to Incredible India tourism marketing companies and web resources. In fact, the medical tourists are attracted to countries such as India by the fact that operations are 80% cheaper than in the USA.

Although the medical tourism is a central strategy for economic growth for many countries, but it needs regulation to oversee the quality and ethics of provisions. It also needs legal, political and economic stability, but often governments, who are entering the medical tourism niche fail to address the issues of saturating the market with provision, thus destroying the impact of medical tourism for the country as they will be competing with other providers.¹⁴

In order to assess the significance of medical tourism it is important to understand how the sector has developed. This is since the desires of tourists creates an overall environment of business and investments at the initial stage. For example in the case of attracting foreign tourist in India, it was merely by offering mineral water or non-invasive beauty therapies or treatments.¹⁵

These treatments and developments have blurred the boundaries between medical tourism and traditional health and wellbeing tourism and have motivated the development of medical tourism as a specific and growing niche. The final category of medical tourism is defined by the fact that the explicit purpose of the trip is to purchase and have a medical treatment to purchase health services abroad (this increasingly includes travelling for the purposes of euthanasia, now termed 'suicide tourism').¹⁶

One notable phenomenon is that India is encouraging private investment in healthcare sector over the years. There are also several corporate entities, including pharmaceutical firms, and non-residents in India (NRIs) who have invested in the Indian healthcare sector and are providing world-class care at a fraction of the cost compared to many developed countries.

India's National Health Policy declares that the treatment of foreign patients is legally an export. This means private hospitals treating foreign patient can get a slew of financial incentives, like raising capital at low rates and importing equipment at low import duties. State government authorities are also getting their act together in India. For example, Tamil Nadu State Tourism Department is in talks

with specialty hospitals in Chennai and Coimbatore to run joint medical tourism campaigns. Similarly, the Karnataka State Government, along with private entrepreneurs like the Manipal groups is preparing packages for target grope of patients in Arabian Countries where Medical Tourism is seen to be India's next big opportunity. That could translate into larger number and big economic spin-off.¹⁷

CONCLUSION

In the contemporary era of globalization and information technology, medical tourism is emerging as a potential industry. There are logically four main reasons why patients travel abroad for medical care: availability of treatments, quality health care, reduced waiting times and cost saving. All these factors together result in to attract foreign patients.

Since early 1991, India introduced the economic liberalization and privatization and as a result, there started tremendous growth in health sector through private investments. The increase in technological and medical research and development augmented product consciousness while promoting the health related tourism. This provides many choices for the consumer to opt as per the economic condition and affordability.

However, as for the global competition in this sector is concerned, the promoters of medical tourism in India should ensure that they cover all kinds of health insurance provided in different nations, and encourage customers to take up health insurance, as this will simplify the transaction process. Similarly, they should hold various campaigns in different states

and continents and offer better discount packages.

Based on the findings of its survey, this study shows that the health care centers, private hospitals, government hospitals and other Medical Tourism agencies can greatly improve their services and bring in more tourists resulting in increased revenues to the Indian economy. Few of the suggestions in this are as follows:

The promoters should concentrate more on attracting older people above the age of 55. Also, they should concentrate more on publicity of Medical Tourism as the awareness among people is very low. However, socio-cultural aspects of medical tourists should be taken into consideration in order to attract tourists especially from the Arab Gulf region with which India has its civilization links. The health care centers can also dispatch membership card to their customers, as this will result in retaining of the customers for a longer period of time.

The main focus this research is on the prospects of medical tourism between India and the oil-rich Gulf States though a good numbers of patients from non – oil west Asian countries are also flocking to the hospitals in India. Here it can be seen that India's growing reputation as a major medical tourism destination is attracting more and more visitors from overseas. The Gulf region is becoming one of the most important markets for India's medical tourism industry which needs to be further explained especially from the new geo-strategic and cultural perspectives. Price advantage is also important factor for medical tourism in India as the complicated surgical procedures are being done at 1/4TH the cost in comparison with the procedures

in the developed countries. Not only this, hospitals are well equipped to handle the data and information through computerized hospital information systems. The hospitalizations and the procedural price advantage are also supported by lower medication costs.

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